CHAPTER 7

VALIDATION OF MATERIEL OBLIGATIONS

SECTION I - SUPPORT OF UNITED STATES FORCES

A. GENERAL

1. This chapter prescribes policies and procedures for the validation by users of the continuing need for overage requisitioned requirements and for the reconciliate ion of supply source materiel/ obligation records with the due-in records of requisitioning activities. The purpose, therefore, is twofold: (1) validation of need and (2) reconciliation of records. For ease of reference, these two functions will hereinafter be called MOV.

2. A materiel obligation is herein defined as that unfilled portion of a requisition (for a stocked or nonst ocked item) that is not immediately available for issue but is recorded as a commitment for future issue, either by direct delivery from vendor or backordered from stock . This includes both NSN and non-NSN items. Accordingly, MOV will pertain to those requisitioned items assigned Status Codes BB, BC, BD, BV, and BZ, as applicable. Requisitions which are to be filled by direct delivery from vendors, Status Codes BV and BZ, are excluded from automatic cancellation of the MOV process.

3. An MOV request is generated from a supply source to a requisitioner/control office for a comparison and validation of the continued requirement of outstanding requisitions held as materiel obligations by the supply source with those carried as due-in by the requisitioner.

4. An MOV response is a reply by a requisitioner to an MOV request advising the supplier:

    a. to hold a materiel obligation until supplied, or

    b. to cancel all or a portion of a materiel obligation.

5. Materiel Obligation Validation Reinstatement Request. A request by a requisitioner to reinstate requisition (s) previously canceled due to requisitioner's nonresponse to an MOV request.

6. A supply source is herein defined as any S/A activity which maintains materiel obligation records, and includes, but is not limited to, those activities commonly referred to as IMMs, ICPs, requisition processing points, stock points, and SCAs.

B. EXCLUSIONS **FROM** SECTSON **I**

1. FMS transactions are excluded from these procedures; however, the Services should reconcile FMS materiel obligation records at the supply source with those of the activities required to maintain FMS case control. MOV procedures for Grant Aid transactions are contained in section II of this chapter.

2. Civil Agencies are excluded unless covered by inter-S/A agreements.

C. **MATERIEL** OBLIGATION AGE CRITERIA

1. Materiel obligations are considered overage and subject to this procedure when:

a. UMMIPS PD 01-08 requisitions have aged to 30 days past the requisition date.

b. UMMIPS PD 09-15 requisitions have aged to 75 days past the requisition date.

2. Special validations may be ordered without regard to the age of the materiel obligations involved.

3. The provisions of this procedure also apply to long production lead time items since requirements for such items may also change as a result of unit/force movements, deactivation, and other population changes. However, only item managers may elect to establish longer intervals for validation of long production lead time items.

D. **SCHEDULE** FOR CYCLIC VALIDATION OF **MATERIEL** OBLIGATIONS

1. The annual schedule of cyclic validations in support of Us. forces is shown in figure 7-1.

2. *The MOV response time is prescribed in figure 7-1. Deployed units, afloat units, and CONUS/OCONUS locations which are unable to acknowledge receipt, or to respond by the prescribed date, may request*

the *DAASO* to temporarily *provide* responses to *MOV* requests. *The* request must be *approved* by the theater/*fleet commander* or major *command* by message to the *DAASO (see appendix A33).* *The* message will cite the *MOV* cycle the activity is unable to acknowledge receipt and *provide* the *required MOV* response. *The DAAS* will not *generate MOV* responses for any subsequent *MOV* cycle unless a separate message' is received.

3. A consolidated report, in the format shown in appendix A22, will be submitted quarterly by S/A headquarters to the DASD (L) SD. This report will be submitted within 30 days after close of each validation cycle. This report is assigned Reports Control Symbol DD-P&L (Q) 1064. The supply source will review the history file, prior to preparing the report, for those transactions in which the quantity response was different from the quantity requested. This review will determine if the quantity difference resulted from a shipment, a cancellation, or if the requisitioner actually requested cancellation of the obligation. Only cancellations actually requested by the requisitioner using the MOV response will be included in the MOV Report. A difference in quantity, result ing from any other cause and/or process, will not be reported.

4. IMMs may initiate special validation requests. For example, the IM may need to validate requirements for high dollar value, critical items, or for those NSNS which have the largest number of materiel obligations on record or account for certain percentages of the total materiel obligations, etc. These special validations should be selective in approach and may be made regardless of whether the materiel obligations were previously validated. Critical items are determined by IMMs and are defined as those essential items which are in short supply or expected to be in short supply for an extended period.

E. **DETERMINATION** OF RECIPIENT **OF** VALIDATION REQUESTS

MOV requests will be transmitted to the activities determined under the following rules.

1. Transmit the act ivit y designated by the M&S unless covered by the except ions listed below.

2. When the M&S is O, transmit to the activity designated by an alphabetic character *or numeric 6,* 7, **or 8** in rp 54.

3. When rp 54 contains a numeric *other than 6,* 7, *or* 8, or is blank, and *M&S* is *O,* transmit requests to the requisitioner (rp 30-35) .

4. When the M&S is F, G, P, or Z, transmit requests to the requisitioner (rp 30-35) .

F. PREPARATION OF SPECIAL **VALIDATION** REQUESTS

1. Requests for a special MOV will always be accomplished via message. The response to the special request will also be accomplished via message. The requirement for use of messages" recognizes the fact that these special validations will normally consist of a limited number of transactions for single requisitioning activities.

2. The message request will consist of the document number of the demand which is held as a materiel obligation, the applicable stock or part number, the unfilled quantity, identif ication of the ship-to address, the current PD, and a reply due date. The reply due date will always be established as 15 days from the date of the message dispatch. The format of the message request is provided in appendix Al 6.

3. Due to the urgency of demands for critical items, IMMs may determine that supply of current demands should be accomplished from stocks due-in, against which there are materiel obligations of lesser *or* equal priorities. In these instances, the IMMs would initiate the special MOV procedures.

G. **PREPARATION** OF CYCLIC VALIDATION REQUESTS

1. Scheduled MOV requests (DI AN1, AN2, or AN3) will be prepared in the format prescribed in appendix C23.

2. Supply sources will transmit DI AN_documents to the DAAS in data pattern (machine-readable format) messages. The DAAS will transmit the requests to the designated recipient, perpetuating the supply source batch control.

3. Scheduled MOV requests will be transmitted not later than 5 days after the cutoff date under the cover of an MOV control document in the format cent ained in appendix C24. The response due dates, as established in the schedule, figure 7-1, are entered in rp 46-49 of the control documents and rp 75-77 of the request documents. The MOV cent rol document includes a provision whereby the recipient will acknowledge receipt of such request documents. The MOV control document will be produced for DI AN_ forwarded by either AUTODIN or mail. It will be used by supply sources for control and for recording receipt acknowledgments

whether received by AUTODIN or mail. Receipt confirmation document for MOV will be prepared in the format shown in appendix C25.

4. The DAAS will transmit DI AN_documents via AUTODIN in data pattern (machine-readable format) messages unless the recipient does not have AUTODIN capability. In the absence of AUTODIN capability, DI AN_ documents will be mailed to the recipient by DAAS. The *DAAS will maintain a history record of all DI Code AN transactions processed for each MOV cycle.*

5. When preparing MOV batches for transmission via AUTODIN, no more than 494 DI AN_ documents will be included in a single AUTODIN message. Each batch will have its own MOV control document (DI AN9/ANZ) . If a single batch exceeds 493 detail request documents (DIs AN1, AN2, and AN3) , additional AUTODIN messages are required, with a separate control document for each partial batch in a different AUTODIN message. For example, if 950 detail request documents are to be sent to the same recipient, the first AUTODIN message will include only 493 detail request documents (DIs AN1, AN2, and AN3) and a control document; the second AUTODIN message will include the remaining 457 detail request documents and another control document. (This limitation allows for a message header and trailer, and sufficient capacity for DAAS to conform with the JANAP 128 (reference (g)) maximum limit of 500 documents in a single data pattern message when reject ing an erroneous MOV message to the transmitting act ivity.)

6. When transmitting via mail, there is no maximum limit as to the number of AN_ documents forwarded in a single mailing container (e. g., envelope, box, package) . However, a separate MOV control document (DI AN9),interpreted and containing the preprinted in-the-clear address of the supply source on the reverse side will be prepared and forwarded as the first document with each separate group/quantity of AN_, documents sent to the same activity for validation. When two or more mailing containers are sent to the same activity, distinct batch control numbers (rp 7-10) will be entered in the AN9 documents.

7. Supply sources will establish records by batch control number (rp 7-10) for each validation cycle. This will permit followup, as necessary, when customer receipt of a particular batch number is not acknowledged.

H. **ACKNOWLEDGMENT OF RECEIPT** OF CYCLIC **VALIDATION** REQUESTS

1. Requisitioning activities in receipt of scheduled validation request documents intended for other recipients will forward the documents by the most expeditious means to the intended recipients when known; otherwise, the documents will be returned immediately to the submitting supply source.

2. The recipient of scheduled requests by mail will acknowledge receipt of the request documents by annotating DI AP9 and the receipt date in the prescribed block of the MOV control document (s) and returning the control document (s) to the activity from which it was received. The in-the-clear address of the supply source will be preprinted on the control document. Such acknowledgment will be accomplished immediately upon receipt of the request documents. When MOV request documents are received via AUTODIN, they should be checked with the control document for a complete count. If the count is correct, acknowledge receipt of the batch by returning the control document (s) utilizing DI **AP9** and including the date in rp 41-44 that the batch was received. This acknowledgment will be returned by AUTODIN, whenever possible, regardless of. receipt by mail or AUTODIN. Acknowledge receipt (D I **AP9**) as each batch of AN_ documents is received. Acknowledgment (D I AP 9) will not be delayed until all batches (if two or more) are received. Prompt acknowledgment of each batch, as received, will preclude unnecessary supply source followup (DI ANZ) and transmission of duplicate DI AN_ documents.

3. Receiving act ivit ies which do not receive the total number of documents indicated in the MOV control document will take one of the following act ions:

a. If AUTODIN is utilized, the DI of the MOV cent rol document wi ll be changed to APX and returned to DAAS or the supply source.

b. If mail is utilized, the DI of the control document will be crossed out, DI APX annotated, and returned to the supply source. The phrase, "All MOV requests not received; resubmit" may be added to the document if desired. All APX documents will be construed as, or serve not ice that, the supply source should ret ransmit that specific batch.

4. Responses to validation requests need not be batched.

5. **DAAS MOV response** procedures for activities prescribed in paragraph D. 2., **this** chapter, are contained in paragraph K., this chapter.

I. FOLLOWUP ON UNACKNOWLEDGED CYCLIC VALIDATION REQUESTS

1. Supply sources will initiate followup action on scheduled val idat ion when no acknowledgment of the request documents is received. The f ollowup will be in the MOV control document format (appendix C24) utilizing DI ANZ. The followup will be accompanied by duplicates of the original detail request documents and will be transmitted 30 days from the cutoff date of the validation requests. If no acknowledgment of the followup is received and no response is received by the response due date, the affected materiel obligations (except for fleet units) will be canceled.

2. When acknowledgment of receipt of requests is not received from fleet units (ships and squadrons as indicated by the in-the-clear act ivit y address) , a duplicate of the f ollowup MOV cent rol document (s) (DI ANZ) will also be furnished to the appropriate fleet type commander, the activity indicated by the entry in rp 54. The fleet type commander will advise supply sources by message within 10 days of fleet units which are unable to acknowledge receipt or to respond by the due date. supply sources will temporarily suspend any cancellation actions until such time as the appropriate fleet type commander of the fleet unit furnishes an estimated date as to when the fleet units are able to acknowledge receipt or respond.

J. PERFORMANCE OF THE VALIDATION AND RECONCILIATION

1. It is mandatory that the recipient of validation requests (either scheduled or special) conduct 'an item-by-item review with the user to determine cent inued need for each item, the quantity involved, and the PD of the requirement. A perfunctory review, or a routine response that all materiel obligations are still required, is a waste of time and effort on the part of all activities. Such cursory reviews do not improve supply support. Items which are identified in the requests but are not contained on the records of the recipient of the request will also be furnished to the user for validation. Items which are contained on the records of recipients of the validation requests and which meet the overage criteria but are not covered by a request will, likewise, be validated with the user.

2. The recipient of validation requests will match the items recorded as materiel obligations at the supply source with the records of unfilled demands to determine and take action to bring the two records into agreement.

3. Requisitioning activities may request status of any items which are outstanding to the requisitioner, having met the age criteria, and not included with the scheduled validation requests. When such status is desired, the requisitioning activity will furnish the supply source with the normal followup document in the DI AF or AT series.

K. RESPONSES To **MATERIEL OBLIGATION VALIDATION** REQUESTS

1. Responses to special validation requests will be accomplished by message in the format shown in appendix A17. The message responses will contain the document number of the demand as contained in the validation request message, the stock or part number, the valid PD, and the quantity required for continuation as a materiel obligation. The message response will also contain any quantities of materiel received by requisitioning activities prior to preparation of the response. The responses will serve to advise whether materiel obligations should be canceled or requirements still exist (and the item should be continued as a materiel obligation) . The message responses to the special validation requests will be accomplished in time to meet the "request reply by" date as contained in the validation request message.

2. Upon completion of an MOV, as required by receipt of scheduled validation request transactions, a DI AP_ response (format shown in appendix C26) for each DI AN_ request transaction (or requisition on the listing) will be furnished to the supply source which submitted the requests. Sezvices/''cies *have* the option *to allow their activities to use the DI AP8 transaction (appendix C51) to respond to MOV requests which have been verified as valid and the quantity field remains unchanged . The DI AP8 transaction will not be generated until all changes relating to the applicable MOV cycle have been made.* Responses will be submitted to the supply source by the reply due date shown in the request transactions. The requisitioners will indicate the action to be taken on each scheduled MOV request as follows:

a. The quantity field of the DI AP_ response document will indicate the quantity still required. If total cancellation is desired, the quantity field will be zero filled.

b. Whenever a requirement is to be retained as a materiel obl igat ion and the PD or RDD/RDP changes due to reassessment of requirements, a requisition modifier (D I AM_) will be prepared to reflect the revised PD/RDD/RDP. The requisition modifier document in this instance will be prepared by originating activities completing all prescribed data element entries for requisitions and reflecting the upgraded or downgraded PD/RDD/RDP.

3. Transmittal of DI AP responses will be as follows:

a. DI AP_responses will be transmitted via AUTODIN whenever the validating activity has access to an AUTODIN terminal with data pattern (machine-readable) transmitting capability.

b. An MOV control document is' not required with DI AP_ responses returned by mail or AUTODIN. DI AP_responses will be transmitted as individual documents or small batches and as early as practical after validation. Accumulation of DI AP_ documents for large or one-time transmission is not required and is to be discouraged. Prompt transmission of DI AP_ documents will preclude shipment/release of items no longer needed.

c. Validating activities without the capability to produce machine-readable may respond to scheduled validation requests by returning all requests under a letter of transmittal to the supply source. In these instances, the letters of transmittal will indicate those items required to be continued as materiel obligations and the validated PD, or those items required to be canceled or the DI AP documents will. be annotated and returned in two batches; one containing those items to be continued and the other those items for cancellation.

d. Fleet units mailing responses to CONUS supply sources will report such mailing by message to the supply source if documents are mailed less than 20 days before the reply due date contained in the scheduled validation request.

4. *DAAS will utilize the DI AP8 transaction (appendix C51) to provide responses to the DI M_ transactions received for activities using the procedure outlined in paragraph D. 2., this chapter. In addition, DAAS will generate DI AP9 transactions (Receipt Confirmation for MOV Requests) for these same activities.*

5. *DAAS will provide appropriate DI AP_ responses to the respective supply source for each DI AP8 transaction received. DAAS will process*

the DI AP8 no earlier than 7 *days after receipt, but no later than the last day of the cycle.*

   6.   *DAAS will utilize the DI AN_ history file to generate appropriate DI AP_ responses for the activity identified in the DI AP8 transaction.*

   7.   Requisitioning activities in receipt of confirmed cancellations (Status Code BS) , as a result of the MOV program, may request reinstatement of their canceled requisitions for a period not to exceed 60 days following the transaction date (rp 62-64) of the BS cancellation. Reinstatement of canceled requisitions will be accomplished on-line-- off-line reinstatement requests will not be honored. When reinstatement is required, the requisitioner will furnish the supply source a DI Code APR transaction, MOV Reinstatement Request, for the quantity required, in the f ormat shown in appendix C48. The quantity reinstated may be equal to or less than the quantity canceled. The quantity reinstated shall not exceed the quantity canceled.

L.   SUPPLY   SOURCE **CANCELLATION OF MATERIEL** OBLIGATIONS

   1.   Supply sources in accomplishing cancellations resulting from MOV procedures will initiate efforts to stop storage and transportation act ions under chapter 3.

   2.   Supply sources will cancel materiel obligations:

      a.   When no reply to a special validation message request has been received by the reply due date.

      b.   When requisitioner has not acknowledged receipt of the scheduled validation request documents (or the fleet unit /type commander has not requested temporary suspension of cancellation actions pending final response) and no DI AP_ responses are received by the response due date.

      c.   When receipt of validation requests has been acknowledged but no DI AP_ response has been received relative to specific items submitted for validation.   In these instances, receipt of a f ollowup document during the validation cycle will not preclude cancellation act ion.

      d.   Upon receipt of cancellation requests from requisitioning activities. When there is no record of the item as a materiel

obligation, the validation response will be matched with the RHF to determine the current status of the item. If the item is in an inprocess state, effective action must be taken to stop the flow of unneeded materiel. All supply sources will strive to attain the DoD objective of taking all feasible action to preclude shipment from the depot, the POE, or the vendor (in the instance of purchase actions) . Based on action taken, the requisitioning activity will be provided with appropriate supply or shipment status.

3. The supply source will furnish, to the activities for which validation requests were submitted, a supply status document containing Status Code BR or BS, as appropriate, for each item canceled as a result of the validation actions.

4. Supply sources in receipt of scheduled validation response documents, intended for other supply sources, will immediately forward the documents via air mail to the activity designated by the RI.

5. Supply sources may contact requisitioning activities to determine desired actions applicable to erroneous response documents, if time permits. Should time not permit the supply source to contact the requisitioning activities, the items concerned with the erroneous documents will be retained as a materiel obligation, until clarification is obtained.

6. The S/A of the activity initiating a cancellation request or failing to respond to DI AN_ validation requests will be charged with (1) transportation costs for returning the materiel to depot storage and (2) procurement and termination costs when it is determined that termination is in the best interest of the Government. Specific instructions concerning materiel transportation charges and credit allowances are contained in the DoD Manual 7220.9-M (reference (z)), DoD Directive 7420.1 (reference (aa)), DoD Instruction 7420.12 (reference (bb)), and MILSTAMP (reference (p)).

M. MATERIEL OBLIGATION REINSTATEMENT

1. Supply sources will reinstate supply action on requisition(s) for which a DI APR transaction has been received if the requisition was canceled with Status Code BS within the last 60 days. Reinstatement of the requisition will be for the quantity in the DI APR transaction which may be equal to or less than the original canceled quantity. If the reinstatement quantity of the DI APR transaction is greater than the quantity canceled in the DI AE_ transaction, Status Code BS, only the

quantity in the DI AE_ transaction, Status Code BS, will be reinstated. Only the quantity exceeding the BS quantity will be re jetted. The DI APR transaction should be prepared using the DI AE_ transact ion (Status Code BS) as a basis to ensure that the correct suffix code is included. The advice code from the original requisition must be perpetuated in the DI APR transaction or the advice code will be treated as blank. The DI APR transactions will be rejected using DI AE_ (Status Codes DK, DL, and DM_) for the following reasons:

      a. Received over 60 days after the DI AE_ (Status Code BS) transaction date,

      b. No record of a DI AE_ transaction (Status Code BS) ,

      c. Requests for reinstatement of a quantity larger than that which was canceled. The quantity canceled is shown in rp 25-29.

    2. When the DI APR transaction is received by the SOS, the latest supply status will be furnished the status eligible recipients.

SECTION II - MILITARY ASSISTANCE PROGRAM GRANT AID

N. GENERAL

    This part prescribes policies and procedures for the validation of ICP materiel obligation records with the records of Service ILCO maintaining SAO program control and for the validation of the continuing need at the Grant Aid country level for overage demands. The purpose is twof old: (1) the reconciliation of records and (2) the validation of need.

O. SCHEDULE FOR CYCLIC VALIDATION OF MATERIEL OBLIGATIONS

    The annual schedule of cyclic validation in support of MAP Grant Aid materiel obligations is shown in figure 7-2.

P. MILITARY ASSISTANCE PROGRAM MATERIEL OBLIGATION VALIDATION REQUEST ACTION

    1. Supply sources will provide the ILCO with validation request documents applicable to aged materiel obligations for Grant Aid require⁻

ments. The validation request documents will be provided to the ILCO by
the supply sources using schedules for validating aged Grant Aid materiel
obligations established by the ASD (P&L) .

    2. Materiel obligations are defined as that portion of the quantity
requisitioned which is not immediately available for issue to the
requisitioners and/or is recorded as a commitment for future issue of
stocked items. This includes commitments for direct delivery from
vendors. The validation request documents will be produced from the
supply source records of materiel obligations for which the requisition
document number dates are aged to 180 days or more at the time of the
established validation cutoff. Materiel obligations selected for
validation, having met the aforementioned age criterion, will be those
which are assigned Supply Status Codes BB, BC, BD, and BV. The
quantities shown on the validation request documents will reflect the
unfilled quantities only of the indicated items which are maintained as
materiel obligations at the supply sources. The validation request
documents will be prepared under the format contained in appendix *C23.*

    3. **Service** implementation of these procedures will specify whether
the listings of validation request documents will or will not be
furnished to the ILCO of that Service with the documents. Each Service
desiring that its ILCO receive listings with the validation request
documents will so advise the supplying S/A headquarters.

    4. The machine list ings, when required, will be prepared in
sequence by Service (rp *30), country (rp *31-32) *, and document number,
major to minor, and reflect subtotal document count by country (rp 31-32)
and grand total for the listing. The validation requests, with list ings
when desired, will be airmailed to the ILCO designated in rp 54 of the
original requisition. However, supply sources may elect to forward the
request documents and lists by routine mail, in lieu of airmail, in
instances where the ILCO is geographically close to the supply source.
Scheduled MOV validation request documents will be transmitted not later
than 10 days after the established cutoff date. Transmission will be by
AUTODIN, when feasible, under the procedure specified in section 1,
paragraph H., of this chapter.

    5. The supply source will follow up on the appropriate ILCO when no
acknowledgment of the validation request is received. The followup, in
the f ormat shown in appendix Al **9** and including a reproduction of the
original request document, will be mailed 30 days from the cutoff date of
the validation request.

Q. ACCOMPLISHING **ACKNOWLEDGMENT OF A VALIDATION** REQUEST BY THE INTERNATIONAL **LOGISTICS** CONTROL OFFICE

    1. An ILCO in receipt of validation request documents intended for another ILCO will forward the documents by airmail to the intended ILCO when known; otherwise, the documents will be returned immediately to the submitting supply source.

    2. The ILCO will acknowledge receipt of the MOV request documents by entering the receipt date in the prescribed block of the transmittal letter with appropriate signature of the recipient and returning the letter to the activity from which it was received. Such acknowledgment will be accomplished immediately upon receipt of the validation request documents.

    3. An ILCO not receiving listings and which does not receive the total number of documents indicated as having been transmitted by letters of transmittal, should include the document numbers of the documents actual l y received with their acknowledgments of validation requests. In these instances, the supply source will be required to determine the documents not received and transmit them to the ILCO under a letter of transmittal.

    4. An ILCO receiving listings with the validation request documents and not in receipt of all documents indicated on the listings will prepare a request document for each document entry on the listings for which a request document was not received.

R. **ACCOMPLISHING MATERIEL** OBLIGATION **VALIDATION** BY THE **ARMY AND** AIR FORCE **INTERNATIONAL LOGISTICS** CONTROL OFFICES

    1. The ILCO receiving the validation requests will match the items indicated as being on record at the supply source with its records of unfilled demands and provide the SAOS with validation request documents which represent quantities/ items:

        a. In the validation requests received from the supply source. (The ILCO will not attempt to adjust quantity differences between the ILCO record and the supply source record.)

        b. On the ILCO record, having reached the validation age criterion and not included with request documents furnished by the supply source. (Service implemental ion of these procedures will contain the provisions whether the SAOS will be provided with validation request

documents and/or list ings.)   The ILCO records will be adjusted based upon the responses received from the SAOs.

2.   Services may elect to have their ILCO enter the program originator code in rp 7 of DI AN_ request transactions transmitted to SAOS for validation.   Entry of this code will enable the SAO to determine the specific section to which the requests are to be directed.   In these instances, the following codes are applicable:

<u>CODE</u>	<u>PROGRAM ORIGINATOR</u>
B	SAO (Army)
P	SAO (Navy) .
D	SAO (Air Force)
K	SAO (Marine Corps)

(These codes will not be perpetuated in DI AP_ response documents transmitted to the supply source.)

3.   The validation request documents and/or listings will be air- mailed to the appropriate SAO not later than 45 days after the scheduled cutoff date.   The time between the cutoff date and the 45 days for mailing the request documents to the SAOS is that time allowed for:

a.   Transmission of the request documents from the supply source to the ILCO.

b.   The ILCO establishment of suspense records of the supply source request quantities and preparation of validation request documen- tation for transmission to the SAOs.   The documents will be transmitted to the SAO under cover of the validation request transmittal letter cent ained in appendix A20.   The transmittal letter should include provi- sions whereby the recipient will acknowledge receipt of the document and return annotations to arrive at the ILCO within 90 days after the cutoff for validation.

4.   The ILCO will follow up on the appropriate SAO when no acknowledgment of the requests is received.   The followup, in the format shown in appendix A21 and including a reproduction of the original request documents, will be airmailed 65 days from the cutoff date of the validation requests.

s. **ACCOMPLISHING MATERIEL** OBLIGATION VALIDATION BY THE NAVY **INTERNATIONAL LOGISTICS** CONTROL **OFFICE**

1. The NAVILCO will match the items indicated as being on record at the supply source with its records of unfilled demands and effect a file reconciliation. The NAVILCO will prepare response documents (D I AP_) using the format contained in appendix C26 for each reconciliation request transaction received from the supply source. The responses will be transmitted to the supply source having submitted the validation requests. The response will serve to advise the supply source as to whether the items should be canceled or requirements still exist and the items should be continued as materiel obligations. Responses to validation requests will be furnished supply sources by 15 March for the first cycle and 15 September for the second cycle.

2. The quantity field of the DI AP_ response document will indicate the quantity still required. If total cancellation is desired, the quantity field will be zero filled.

3. A followup, either in the DI AT_ or AF_ series, will be submitted for items outstanding on NAVILCO records for which no DI AN_ request document was received from the supply source.

T. NAVY **INTERNATIONAL** LOGISTICS CONTROL OFFICE INITIATION OF RECONCILIATION/VALIDATION WITH SECURITY ASSISTANCE ORGANIZATIONS

1. Annually, on 16 September, the NAVILCO will prepare reconci l i- at ion request documents in the format of appendix C23 which represent unfilled requisitions with dates of 31 July or earlier.

2. The NAVILCO will enter the program originator code in rp 7 of DI AN_reconciliation request documents transmitted to SAOS for validation. This code will enable the SAO to determine the specific section to which the requests are to be directed. In these instances, the codes shown in paragraph R. 2. are applicable.

3. The validation request documents and/or listings will be airmailed to the appropriate SAO not later than 26 September. The documents will be transmitted to the SAO under cover of the validation request transmittal letter cent ained in appendix A2 0. The transmittal letter includes provisions whereby the recipient will acknowledge receipt of the document (s) and return annot at ions by 31 October.

4. The ILCO will f ol low up on the appropriate SAO when no acknow-ledgment of the reconciliate ion requests is received. The f ol lowup, in

the format shown in appendix AZ 1 and including a reproduction of the original request documents, will be airmailed on 10 October.

u.   ACCOMPLISHMENT **OF ACKNOWLEDGMENT** OF **LISTINGS/DOCUMENTS** BY SECURITY ASSISTANCE ORGANIZATIONS

1.   SAOS in receipt of validation request documents intended for other recipients will forward the documents by" airmail to the intended recipients, when known; otherwise, the documents will be returned immediately to the submitting ILCO.

2.   The SAOS will acknowledge receipt of the request documents by entering the receipt date in the prescribed block of the transmittal letter, with appropriate signature of the recipient, and returning the letter to the ILCO from which it was received.   Such acknowledgment will be accomplished immediate y upon receipt of the validation request documents.

v.   VALIDATION OF **REQUIREMENT**S BY THE SECURITY **ASSISTANCE** ORGANIZATIONS

1.   The SAOS receiving the validation request documents/listings wi ll determine whether retirements for the items and quantities st il 1 exist.   The SAOS will also determine whether requirements exist for items /quantities, having reached the age criteria and not included with the val idat ion request transactions.   Once the validation of requirements is completed, the SAOS will adjust their records to reflect the need of the country for the items/quantities.

2.   SAOS will request status of any items which are outstanding, having met the age criteria and not included in the materiel obligation validation requests.   When such status is required, the SAO will furnish the appropriate ILCO with a f ollowup document utilizing DI AFl.

3.   The SAO will annotate a copy of the listing or each DI AN document, as appropriate, to indicate:

a.   The quantity of each item still required (if DI AN_ documents are used, entry will be made in data block **8)**, and

b.   The quantity of the item received "to date, " if any (if DI AN_ documents are used, entry will be made in block U of the remarks block) .

4,   SAOS will airmail annotations to the appropriate ILCO. For
USASAC and AFLC, these annotations must be forwarded to arrive no later
than the date specified in the letter of transmittal which is *35* days
prior to the response due date contained in rp 75-77 of the request
transactions. For NAVILCO, these annotations must arrive no later than
31 October.

w.   RESPONSE **TO MATERIEL** OBLIGATION VALIDATION REQUESTS BY THE
ARMY AND AIR FORCE **INTERNATIONAL** LOGISTICS CONTROL **OFFICES**

1.   Upon receipt of the responses from the SAOs, the ILCO will
adjust its records to agree with country requirements indicated by the
response documents. The ILCO will then prepare response documents (DI
AP_), using the appendix C26 format for each reconciliation request
transaction received from the supply source. The responses will be
transmitted to the supply source having submitted the validation
requests. The response will serve to advise the supply source as to
whether the items should be canceled or requirements still exist and the
items should be continued as materiel obligations. Responses to valida-
tion requests are required to be furnished the supply source by the reply
due date contained in rp 75-77 of the validation request documents. The
reply due date will be established as the 125th day following the cutoff `
date for validation. The cutoff date will be entered in rp 71-73 of the
validation request documents.

2.   The quantity field of the DI AP_ response document will indicate
the quantity still required and the advice code field will be left blank.
If total cancellation is desired, the quantity field will be zero filled.

3. A followup, either in the DI AT_ or AF_ series, will be sub-
mitted for items outstanding on the ILCO records, indicated as required
by the SAO, and for which no DI AN_ request document was received from
the supply source.

x.   **NAVY INTERNATIONAL** LOGISTICS CONTROL OFFICE ACTION ON
SECURITY ASSISTANCE ORGANIZATION RESPONSES

1.   Upon receipt of the responses from the SAOs, NAVILCO will adjust
its records to agree with country requirements indicated by the response
documents. Cancellation requests will be submitted to the supply source
on those unshipped lines for which the SAO indicated a reduced quantity
requirement. Action will be initiated to resolve unreconciled lines for
which the SAO indicated a requirement. NAVILCO will provide appropriate
supply and shipment status to the SAOs.

2.   By 30 November, the cancellation requests, prepared in the format contained in appendix C6, will be transmitted to the last known source processing the corresponding requisition.

3.   NAVILCO will maintain a record of confirmed cancellations received in response to cancel lat ion requests Submitted as a result of reduced quantity requirements indicated by SAOS.

4.   NAVILCO will prepare a report of the number of lines reconciled with the SAO, the number and value of SAO requested quantity reductions and the number and value of confirmations received as of 31 December. Two copies of the report will be submitted to the appropriate Service headquarters for review and submission to OASD.

Y.   **INTERNATIONAL** LOGISTICS CONTROL OFFICE **CANCELLATION** OF **MATERIEL** OBLIGATIONS

1.   The supply source wi 11 cancel materiel obligation items upon receipt of cancellation requests or indication of need for lesser quantities from the ILCO.   (When there is no record of the item, at time of receipt of response documents, the response card will be matched with the requisition history file to determine the latest status of the item or action taken to accomplish cancellation action and provide the ILCO with supply or shipment status as appropriate.) In the event procurement, rebuild, or other expense has been incurred and must be billed to MAP for an individual item being canceled, the supplying S/A will take action under DoD 5105. 38-M, part II, chapter H (reference (t)) .

2.   The supply source will furnish to the ILCO, for which validation requests were submitted, a supply status document containing Status Code BR for each item and/or quantity canceled as a result of validation actions.   The ILCO should not consider any quantity canceled until confirming BR status is received.

3.   The supply source will not automatically cancel items for which materiel obligations were established when no DI AP_ response has been received relative to specific items/documents submitted for validation.

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